

SEGMENT RESULTS

FINANCIAL RESULTS FOR THE QUARTER & NINE-MONTHS ENDED 31ST DECEMBER, 2014

	Year Ended				Description	Quarter Ended				Year Ended
	31.12.2014	31.12.2013	31.12.2014	31.12.2013		31.12.2014	31.12.2013	31.12.2014	31.12.2013	

	(₹ in Lacs)					(₹ in Lacs)			
	31.12.2014	31.12.2013	31.12.2014	31.12.2013		31.12.2014	31.12.2013	31.12.2014	31.12.2013

PARTICULARS	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
Interest Earned (a+b+c+d)	174962	178553	531616	498950	676700	49882	48355	47228	151480	137051
a) Interest/Discount on Advances/Bills	126351	133904	368229	369391	502126	49882	48355	47228	151480	137051
b) Income on Investments	46279	45548	138554	125344	168556	71841	81375	77657	231205	233573
c) Interest on Balance with R.B.I. & Other Inter Bank Funds	2332	401	4833	4215	8018	74080	74958	67940	220668	200616
d) Others	9892	8463	31544	27916	39026	861	616	652	2473	2408
Total Income (1 + 2)	184944	183116	526866	526866	183116	196664	205304	193487	605646	573648
Interest Expended	117092	110659	334782	300620	409252	11720	109688	13190	45266	46782
Operating Expenses (III)	103152	98520	300620	293200	311864	1753	1397	1281	3892	2689
1. Employees Cost	23147	22777	74931	54021	74391	9747	17013	22000	9747	112999
II. Other Operating Expenses	12652	11648	30394	30394	43108	4090	7795	20078	3982	89821
Total Expenditure (4+6) (Including Provisions & Contingencies) exceeding the Expenditure	146891	145084	437123	389035	525751	11502	18615	19695	20778	54627
Operating Profit before Provision for Contingencies (3+7)	38053	44084	126073	141831	189975	18615	26472	9605	6551	11663
Provisional Reserves (8)	22039	16780	63476	8731	14768	-	-	-	-	-
Profit (a) (Less) (d) from ordinary activities before tax (7+8)	16014	27304	62597	133100	175187	2118196	1796466	1568878	2118196	1568878
Tax Expenses (b)	5550	9242	21862	39813	69040	21592	175663	62983	21592	62983
Net Profit (+) (Loss) (e) from ordinary activities after tax (10-11)	10464	17230	40735	93287	116147	(1526508)	(1369122)	(1440911)	(1526508)	(1440911)
Extraordinary Items (net of tax expenses)	10464	17230	40735	93287	116147	2118196	1796466	1568878	2118196	1568878
Net Profit (+) (Loss) (f) for the period (12-13)	20928	34460	81470	186574	232314	2118196	1796466	1568878	2118196	1568878
Reserves excluding evaluation reserves	4849	4849	4849	4849	4849	21592	175663	62983	21592	62983
Reserves excluding evaluation reserves (As per Balance Sheet of Previous Accounting Year)	567512	481820	567512	481820	567512	613060	602536	579657	613060	579657

1. The above financial results were reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on February 07, 2015. The same have been reviewed by the Statutory Central Auditors of the bank in line with the directions issued by the RBI and as per the requirements of listing agreement with Stock Exchange.

2. The results for the quarter and Nine Months ended 31st December, 2014 have been prepared following the same accounting policy as those followed in the annual financial statements for the year ended 31st March, 2014.

3. The results have been arrived at after considering provision for Standard and Non-Performing Assets as per RBI guidelines, provision for Taxation including Deferred Tax and Wealth Tax. Depreciation on Fixed Assets has been made on an estimated basis as per existing accounting policy. However, the implementation of schedule-II of the Companies Act, 2013 effective from 01.04.2014, with regard to depreciation is under process.

4. Provision for terminal benefits (Pension, Gratuity and leave salary Encashment) has been made as per actuarial valuation.

5. In view of the ensuring settlement of wages revision which shall have effect from November 2012, an adhoc amount of ₹ 21.00 crore has been provided in respect of the same in this quarter (₹ 21.00 crore previous quarter) totaling to ₹ 79.25 crores.

6. Provisioning coverage ratio as at 31st December, 2014 is 51.00%.

7. In terms of RBI circular No. DBOD.No.89/21.04/048/2013-14 dated February 07, 2014 Banks were allowed to utilize 33% of the floating provision held by them for making provision for non-performing assets. Bank has not utilized the floating provision of ₹ 52.90 crore available as at 31.12.2014 for making specific provision for NPA.

8. In accordance with RBI circular No. DBOD. BP. BC. 85/21.06.200/2013-14 dated 15th January, 2014 and circular no. DBOD.BP.BC.116/21.06.200/2013-14 dated 3rd June, 2014, banks are required to make additional provision in respect of borrowers with Unhedged Foreign Currency Exposures (UFCE) from April 2014 onwards. Accordingly based on available information provided by borrowers, the bank has estimated a provision requirement of ₹ 12.84 crores. However, in terms of aforesaid circular, RBI has allowed banks to spread the entire provision over the four quarters of FY 2014-15. Accordingly bank has provided liability of ₹ 3.06 crores. (Previous quarter ₹ 3.42 crores) towards Unhedged Foreign Currency Exposure (UFCE) to its constituents for the quarter, totaling to ₹ 9.63 crores. (Previous quarter ₹ 6.57 crore)

9. The above results are standalone and do not include that of subsidiary company.

10. Pursuant to section 135 of Companies Act, 2013, it is required to spend 2% of the average net profits made during three immediate preceding financial years for CSR activities. Accordingly the bank is required to spend ₹ 22.40 crores for the nine months period and ₹ 7.46 crores for the quarter. The bank during the quarter expended an amount of ₹ 9.17 crores for the same (Previous quarter ₹ 0.54 crore) and the accumulated provision under this head is ₹ 12.66 crores (Previous quarter ₹ 14.36 crores)

11. During the recent devastating floods in the state of J&K few business units/offices were affected causing loss to infrastructural peripherals installed there. Based on information of business units/offices the bank has lodged an insurance claim of ₹ 27.00 crores. (Acquisition cost of damaged infrastructural peripherals) which is pending with the insurance company. Further, under rehabilitation plan approved in terms of RBI master circular No. RPCD.No.FSD.BC.07/05.04.02/2014-15 dated 01.07.2014, the bank has restructured loan portfolio of ₹ 145.02 crores for which provision of ₹ 19.35 crores has been made for DIPV and standard provisioning respectively.

12. During the quarter ended December 2014, fraudulent transactions on account of discounting of fake LCs were detected at two business units of the bank. Amount of ₹ 60.25 crores outstanding against such fake LCs has been classified under loss category and fully provided for.

13. The bank has sub divided each equity share of the face value of ₹ 10/- into ten (10) equity shares of face value of ₹ 1/-, each effective from 5th September, 2014 approved by the share holders in the 76th Annual General Meeting of the bank held on 2nd August, 2014.

14. The number of investors complaints received during the quarter were 17 (Seventeen) and all have been disposed off.

15. Previous period figures have been re-casted / regrouped where ever necessary, to make them comparable.

FOR J&K BEHALF OF THE BOARD
Mushtaq Ahmad
Chairman & CEO
DIN: 09226134
Place: Jammu
Dated: February 07, 2015

For Dharshana Nagpat & Associates
Chartered Accountants
FRN: 01/022N
CA. Ritam Arora
Partner
(M. No. 524693)
FRN-011022N
(J&K) Chartered Accountants

For Arova Vohra & Co
Chartered Accountants
FRN: 009487N
CA. Karanbir S Sethi
Partner
(M. No. 997188)

For Dhar Tiklu & Co.
Chartered Accountants
FRN: 003423N
CA. Madhusudan Meher
Partner
(M. No. 997439) after

For Gupta Sharma & Associates
Chartered Accountants
FRN: 001466N
CA. Vinay Saraf
Partner
(M. No. 796652)
J&K ASSOCIATES *SINJALIOCOO
FRN-003423N
Chartered Accountants

REVIEW REPORT

We have reviewed the accompanying statement of unaudited financial results of **THE JAMMU & KASHMIR BANK LIMITED** for the period ended **31st December 2014** except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/Committee of Board of Directors. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our Review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consist of making inquires, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

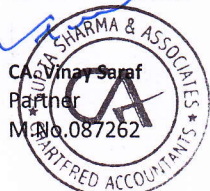
The financial results incorporate the relevant returns of 29 branches reviewed by us, 364 branches reviewed by other Chartered Accountants and Bank's own Officials acting as Concurrent Auditors of the Bank and un-reviewed returns in respect of 407 branches. In the conduct of our Review, in addition to 29 branches reviewed by us, we have relied on the review reports in respect of non-performing assets, received from Bank's Concurrent Auditors aggregating to 364 branches. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from the branches of the Bank. These review reports of 393 branches cover 91.21% of advances portfolio of the Bank and 94.33% of Non Performing Assets of the Bank (NPAs) as on 31st December 2014.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with applicable Financial Reporting framework issued by the Institute of Chartered Accountants of India and other recognized Accounting Practices and Policies and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Emphasis of Matter:

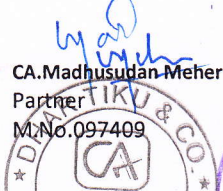
We draw attention to note 12 to the financial results, which describes fraudulent transactions on account of discounting of fake LC's detected at two business units of the bank. Further amount of Rs. 60.25 crores outstanding against such fake LC's has been classified under loss category and fully provided for. Our opinion is not qualified on this matter.

For Gupta Sharma & Associates
Chartered Accountants
FRN:001466N



Place : Jammu
Dated : February 07, 2015

For Dhar Tiku & Co.
Chartered Accountants
FRN:003423N



For Arora Vohra & Co
Chartered Accountants
FRN:009487N

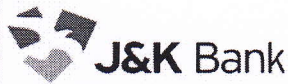


For Darshan Nagpal & Associates
Chartered Accountants
FRN:011022N



For Dharam Raj & Co
Chartered Accountants
FRN.014461N





THE JAMMU & KASHMIR BANK LTD.
CORPORATE HEADQUARTERS, M. A. ROAD, SRINAGAR
CIN:L65110JK1938SGC000048

BALANCE SHEET AS AT 31ST DECEMBER, 2014

(₹ IN LACS)



	As at 31.12.2014	As at 31.12.2013
CAPITAL AND LIABILITIES		
Capital	4849	4849
Reserves and Surplus*	608211	574808
Deposits	6390634	6315711
Borrowings	268000	115000
Other Liabilities and Provisions	166088	126670
TOTAL :-	7437782	7137038
ASSETS		
Cash and Balance with Reserve Bank of India	275634	252635
Balance with Banks & Money at Call & Short Notice ...	67978	91401
Investments	2461632	2271351
Advances	4436084	4331784
Fixed Assets	55337	51004
Other Assets	141117	138863
TOTAL :-	7437782	7137038

* Includes profit for the Nine Months (Rs. 40699 Lacs) Previous corresponding Nine Months (Rs.93187 Lacs)

In terms of our report of even date annexed


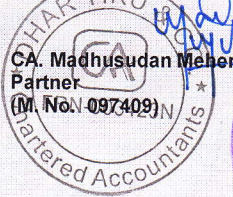
For Gupta Sharma & Associates
Chartered Accountants
FRN: 001466N

CA. Vinay Saran
Partner
(M. No. 087262)

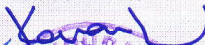
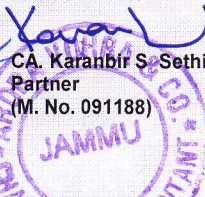
For Dhar Tiku & Co.
Chartered Accountants
FRN: 003423N

CA. Madhusudan Meher
Partner
(M. No. 097409)

For Arora Vohra & Co
Chartered Accountants
FRN: 009487N

CA. Karanbir S. Sethi
Partner
(M. No. 091188)

For Darshan Nagpal & Associates
Chartered Accountants
FRN: 011022N

CA. Ritesh Arora
Partner
(M. No. 524663)





For Dharam Raj & Co
Chartered Accountants
FRN: 014461N

CA. Rattan Singh
Partner
(M. No. 094845)




FOR & ON BEHALF OF THE BOARD


Mushtaq Ahmad
Chairman & CEO
DIN: 01226134

Place : Jammu
Dated : February 07, 2015